

LEGISLATIVE FISCAL OFFICEFiscal Note

Fiscal Note On: **SB** 183 SLS 10RS 86

Bill Text Version: ENGROSSED

Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 7, 2010 1:55 PM

Dept./Agy.: State Mineral and Energy Board

Author: GAUTREAUX, N.

Analyst: Stephanie C. Blanchard

Subject: Alternative Energy Resources

ENERGY DEVELOPMENT EG

EG SEE FISC NOTE GF RV See Note

Page 1 of 1

Authorizes the State Mineral and Energy Board to lease state lands for the development or production of alternate energy

resources. (8/15/10)

<u>Present law</u> authorizes the State Mineral and Energy Board to lease for the development and production in minerals, oil, and gas, any lands belonging to the state, or the title to which is in the public, including road beds, water bottoms, vacant state land, and lands adjudicated to the state at tax sale.

<u>Proposed law</u> retains <u>present law</u> and authorizes the board to lease for the development and production of "alternative energy sources". Authorizes the board to adopt rules and regulations in accordance with the Administrative Procedure Act.

EXPENDITURES	<u>2010-11</u>	2011-12	2012-13	2013-14	<u>2014-15</u>	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2010-11	2011-12	2012-13	2013-14	2014-15	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Given that this legislation provides for new forms of leasing, the potential impact on expenditures is unknown. It is anticipated that a minimal amount of funds would be expended to promulgate rules. The LFO assumes that the department can absorb rule promulgation costs since that is an ongoing recurring activity for which funds are normally budgeted. Assuming leasing activity in these areas is light, the workload would be performed with existing staff and resources. The Mineral and Energy Operation Fund would be utilized for these expeditures.

REVENUE EXPLANATION

State general fund revenues may increase by an indeterminable amount as a result of the proposed legislation. This legislation provides for new leasing on state lands and water bottoms and there is no data available on the potential demand for these forms of leasing. Mineral and Energy Operation Fund revenues may also increase by a small amount as a result of any application or leasing fees for these types of leases.

<u>Senate</u>	Dual Referral Rules		
13.5.1 >= \$100	,000 Annual Fiscal Cost		
13.5.2 >= \$500	,000 Annual Tax or Fee		
Ch	nange		

 $\frac{\text{House}}{\boxed{}} 6.8(F) >= $100,000 \text{ Annual SGF Cost}$

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Robert E. Hosse

Robert E. Hosse LFO Staff Director